REALTY **ONE** GROUP RESULTS

BUYER READINESS · TRIAD · WILKES · HIGH COUNTRY · 2026

The *3-3-3* Rule

Three months of living expenses.
Three months of mortgage payments.
Three homes walked before you write.

TERESA OVERCASH

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THE FRAMEWORK

Two buffers and one *discipline.*

The 3-3-3 rule is a readiness check you run *before* you write an offer. Two of the tests are financial. The third is behavioral. If any one of them fails, the offer waits.

TEST	WHAT IT MEANS	WHAT IT PROTECTS YOU FROM
Three months of living expenses	A cash reserve equal to three months of total household outflow — housing, food, transportation, insurance, utilities, minimum debt payments. Separate from the down payment and closing costs.	A sudden income loss, a medical bill, or an early repair forcing you to sell
Three months of mortgage payments	A second, separate reserve equal to three months of the new PITI — principal, interest, taxes, and insurance — at your target price.	A slow quarter, a vacancy, or an appraisal gap
Three homes walked	Tour at least three genuinely comparable homes in person before making an offer on any of them.	Overpaying because you anchored to the first house you loved

It is an informal framework. It is not an NCREC regulation, and no lender enforces the third test. But it lands close to what lenders actually verify on non-conforming loans, and it maps almost exactly to how buyers protected themselves through the rate volatility and appraisal gaps of the last few years.

> *Reserves protect against life. Comparisons protect against overpaying. The buyers who skip test three are the ones who call me a year later wondering why the house isn't appraising the way they expected.*
>
> TERESA OVERCASH

THE SHAPE OF IT

3	3	3	0
MONTHS LIVING EXPENSES	MONTHS MORTGAGE PAYMENTS	HOMES WALKED IN PERSON	OF THESE ARE YOUR DOWN PAYMENT

TEST ONE

Three months of *living* expenses.

This reserve exists to absorb life — a job disruption, a car repair, an aging parent who suddenly needs help, a health event. The number that matters is your household's total monthly outflow, not just your future mortgage payment.

How to find your real number

Print the last ninety days of checking-account activity. Total everything that left. Divide by three. That is your monthly outflow — and it is almost always higher than people guess, because budgets are aspirational and bank statements are not.

HOUSEHOLD	MONTHLY OUTFLOW	THREE-MONTH RESERVE
Winston-Salem — single earner, no children	$3,600	$10,800
Greensboro — dual earner, one child	$5,800	$17,400
High Point — retiree couple	$4,200	$12,600
Boone — remote-work couple, seasonal utility spike	$6,400	$19,200
West Jefferson — second home, primary residence out of state	$8,200 combined	$24,600

Illustrative household profiles, not survey data. Run your own ninety-day number — it is the only one that matters.

What this reserve is not

It is not the down payment. It is not the closing-cost budget. It is not the new-appliance fund or the paint-the-whole-house fund. **It exists to keep a roof over your head when something you didn't plan for happens in the first twelve months after closing** — which, in our experience, is when it usually happens.

Keep it somewhere boring and liquid. High-yield savings or a money market account.

TEST TWO

Three months of the *payment* itself.

The second reserve is separate, and it covers the new mortgage payment — taxes and insurance included — for three months. For most buyers this number lands higher than expected, because insurance and property taxes in North Carolina have both been climbing.

MARKET	MEDIAN SALE PRICE	ESTIMATED PITI	THREE-MONTH RESERVE
Winston-Salem	$297,000	$1,878	$5,634
Greensboro	$285,000	$1,825	$5,475
High Point	$277,000	$1,770	$5,310
Kernersville	$286,000	$1,832	$5,496
Clemmons	$417,000	$2,590	$7,770
Boone — Watauga	$560,000	$3,180	$9,540

Assumes a 30-year fixed near 6.5%, 20% down, roughly $1,845 a year in homeowners insurance, and county-level average effective tax rates. Rates move weekly.

One caution on the tax line

Those figures use **county-wide average** effective tax rates, which blend in-town and unincorporated properties. Your actual bill depends on which side of a municipal line you land on, and city rates stack on top of county rates.

In Watauga, for example, the county rate has held at $0.318 per $100 — but inside Boone or Blowing Rock town limits, both towns moved to $0.44 for FY2026-27, putting the combined rate near $0.758. **Treat any table like this as a floor and get a real quote for the actual address.**

Why lenders read this reserve as a signal

Conforming loans on a primary residence don't require a PITI reserve — but underwriters read one as strength. Beyond that, reserves become mandatory: most portfolio lenders want two to six months documented on a second home, six to twelve months is typical on a jumbo, and six months per financed property is standard on investment loans.

The 3-3-3 rule tests you at the low end of that range no matter what you're buying — because if you can't document three months of the payment before you buy, you are one surprise away from selling under pressure.

TEST THREE

Walk *three.* Every time.

This is the one people skip, and it is the one that costs the most. Before you make an offer on any home, walk at least three genuinely comparable homes in person. Photos don't count. Virtual tours don't count. Driving by doesn't count.

What happens when you don't

Buyers who haven't walked three comps anchor to the first home they toured. They defend a price the market doesn't defend. They miss condition problems the second house would have made obvious. They overpay by roughly three to eight percent — **which on a $300,000 Triad home is $9,000 to $24,000**, and it is very hard to undo after closing.

Buyers who have walked three arrive at the offer with specific, defensible reference points. "This one is $30,000 more than the Clemmons ranch, but the kitchen is already updated and the yard is flat." That is an argument a seller can respond to — and sellers respond to it far better than to a low number with no reasoning behind it.

ATTRIBUTE	WHAT COUNTS AS COMPARABLE
Price band	Within about 15% of your target
Location	Same ZIP code, or the same school district in the suburbs
Property type	Match it — single-family, townhome, condo, or cabin
Living square footage	Within about 20%
Age band	Within 15 years, unless you're shopping historic districts where the age is the point
Bedrooms	Match, or within one
Lot	Interior versus corner, flat versus sloped, wooded versus cleared

HOW TO DO IT WELL

Walk all three inside a two-week window so the comparison stays fresh. Photograph the same three things in each house — kitchen, primary bedroom, yard — for later reference. Skip anything showing the sellers' family photos. **Three good comparisons beat ten thin ones.**

This is a floor, not a ceiling. Most buyers who close successfully have toured eight to fifteen homes. If your third one is the right one, don't tour more out of obligation — but don't tour fewer either.

DON'T CONFUSE THEM

Four frameworks travel under similar *names.*

Because the label is informal, you will hear "3-3-3" used for at least four different things. Here is how to tell which one someone means.

FRAMEWORK	WHAT IT SAYS	WHEN IT APPLIES
Buyer readiness 3-3-3 this document	Three months living reserve, three months PITI reserve, three homes walked	Every residential buyer, before writing an offer
Holding-period 3-3-3	Plan to stay at least three years, assume roughly 3% long-run annual appreciation, budget about 3% in transaction costs on each end	A stability screen — should you buy at all right now
30/30/3	Housing cost under 30% of gross income, 30% of the price saved before buying, price no more than 3× gross annual income	An affordability screen across the whole ownership window
Seller diagnostic 3-3-3	Three days, three weeks, three months — reading what the market is telling a listing	Not a buyer rule at all. See the next page.

Why the holding-period version matters here

Homes are not liquid. Buy today and sell in eighteen months and your roughly 3% in buyer costs, plus 6 to 8% in seller costs, plus modest appreciation almost always nets out to a loss. With Triad appreciation running in the low single digits year over year, **the three-year assumption is doing real work.**

Running 30/30/3 as a sanity check

Take a household earning $110,000 gross. The 30/30/3 screen caps monthly housing at about $2,750, sets maximum price near $330,000, and asks for roughly $99,000 saved between down payment and reserves before buying.

That comfortably supports a Winston-Salem, Greensboro, High Point, or Kernersville purchase at today's medians. It does not reach Clemmons at a $417,000 median, and it does not reach Boone. **If a property fails 30/30/3 but passes 3-3-3, you can probably afford it — but the margin is thinner than the traditional target.** If it fails both, wait or lower the target price.

Three days. Three weeks. Three *months.*

The seller diagnostic uses the same numbers for something completely different: how long a listing has been active without a serious offer, and what the market is telling you at each stage.

STAGE	WHAT TO WATCH	WHAT IT MEANS
First three days exposure test	Several showings should land in the first three days as saved-search buyers get the alert. Zero showings in three days is a red flag.	Nobody showing means the photos, the price band, or the showing access is filtering buyers out at the search stage. That is a search problem, not yet a price problem.
First three weeks pricing verdict	Steady showings but no offers by day 21 is the widely cited pricing signal. Two to three weeks without an offer is the standard reduction trigger in a balanced market.	Buyers are seeing it, comparing it against the comps, and choosing not to bid. **That is a price problem**, and a meaningful reduction of 3 to 5% is warranted.
First three months reputational damage	Past about thirty days without an offer, buyer psychology shifts to "something must be wrong with it." At ninety days that compounds.	The market has moved on. Withdraw and relaunch with new photography and copy, take one larger decisive cut, or accept that price and condition together sit outside the market.

One decisive cut beats four small ones

In a balanced Triad market, a first reduction generally lands in the 3 to 4% range — roughly $12,000 to $16,000 on a $400,000 Clemmons listing, or $9,000 to $12,000 on a $300,000 Winston-Salem listing.

A single decisive cut in week two or three consistently outperforms three or four $2,000 drops spread across a quarter. The small cuts signal that more are coming, so buyers wait for the next one instead of writing.

This is a market-reading tool, not a calendar. Let the diagnostic outcome drive the decision — zero showings means fix the photos or the price band; showings without offers means cut decisively; stale at ninety days means withdraw, refresh, relaunch.

RUN IT

Three steps, in *order.*

1 **Do the reserve math**

Print ninety days of checking activity, total the outflow, divide by three, multiply by three. Then get pre-approved at your target price and ask your lender for a PITI estimate using your actual county tax rate and a real insurance quote for the specific address. Multiply that by three. Both reserves stay separate from the down payment — and separate from each other.

2 **Book three tours before you write anything**

Ask your agent to line up three comparable homes in the same ZIP code and price band, all within a two-week window. Walk every one of them before you make an offer on any of them.

3 **Run 30/30/3 as the secondary check**

Housing under 30% of gross monthly income, 30% of the price saved, price no more than three times gross annual income. Passing 3-3-3 but failing 30/30/3 means the margin is thin. Failing both means wait or lower the target.

Reserve targets by purchase price

PURCHASE PRICE	ESTIMATED PITI	THREE-MONTH PITI RESERVE
$250,000	$1,620	$4,860
$300,000	$1,895	$5,685
$400,000	$2,470	$7,410
$500,000	$3,040	$9,120
$700,000	$4,180	$12,540
$1,000,000	$5,895	$17,685

Assumes a 30-year fixed near 6.5% with 20% down. Add your own three-month living-expense number on top of the reserve column — that combined figure is the minimum liquid cash the rule asks you to still hold on closing day, beyond down payment and closing costs.

STRAIGHT ANSWERS

Questions people actually *ask.*

Is this required by North Carolina law?

No. It is not an NCREC regulation, and no lender enforces the property-comparison test. It's an informal readiness framework that happens to mirror the reserves lenders genuinely require on jumbo, second-home, and investment loans. Following it is optional and protective.

Do the two reserves really have to be separate?

Yes — that is the entire point. If both live in one account and you draw from it for either purpose, you don't have a buffer against life plus a buffer against slow income. You have one buffer covering two risks. Separate accounts, or at minimum separately earmarked on paper.

How does this relate to the due diligence period?

They complement each other and neither replaces the other. 3-3-3 is a pre-offer readiness check. North Carolina's due diligence period is a post-offer window during which you can walk away, forfeiting the negotiated fee but recovering your earnest money. Run 3-3-3 before you write. Run due diligence after you sign.

Does it apply to cash buyers?

Yes, with one change. There's no monthly payment, so the second reserve doesn't apply. The living-expense reserve still does — and **the comparison test matters more, not less**, because there is no lender-ordered appraisal standing between you and overpaying.

How many homes should I see in total?

Three is the floor. Most buyers who close well have toured eight to fifteen. If your third comparable is genuinely the one, don't tour more for the sake of it — but don't tour fewer.

Should sellers follow the diagnostic instead of a reduction schedule?

Follow the diagnostic. It tells you which signal to weight — search-level exposure, pricing verdict, or reputational damage — and your reduction strategy should follow from that reading, not from a date on a calendar.

REALTY **ONE** GROUP RESULTS

Reserve, reserve, *compare.*

It isn't complicated. It's a discipline. Two financial buffers and one behavioral check. If you're within six to twelve months of buying, run the math this week — then let us line up the three comparable tours as soon as your search area is locked in.

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Current as of August 2026. The 3-3-3 rule is an informal readiness framework, not a regulation, a lending standard, or a guarantee of any outcome. Payment figures are illustrations of principal, interest, taxes, and insurance using the stated assumptions; mortgage rates move weekly and your actual payment depends on credit, loan program, the property's assessed value, and the insurance quote for the specific address. Tax figures use county-level average effective rates that blend municipal and unincorporated properties — your parcel may differ materially. Household budget profiles are illustrative, not survey data. Not legal, tax, lending, or financial advice; consult a licensed professional about your situation. Information deemed reliable but not guaranteed.